GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:1254
ANSWERED ON:25.07.2016
District Mineral Foundation
Dubey Shri Nishikant ;Singh Shri Sunil Kumar

Will the Minister of MINES be pleased to state:

(a) whether the Government proposes to amend/has made certain amendments to the Mines and Minerals (Development and Regulation) Act, 1957 and if so, the details along with the implementation status thereof;

(b) whether the Act/rules governing the establishment of District Mineral Foundation (DMF) in the mining affected areas in the country have been framed, if so, the details thereof;

(c) the details of the places identified as mining affected areas by the Government in the country, State-wise including Jharkhand; and

(d) whether DMF have been set up in all the mining affected areas of the country and if so, the details thereof and if not, the reasons therefor along with the steps taken to set up DMFs where these have not been set up as yet, State/UT-wise?

Answer

(a) Ministry of Mines has amended the Mines and Minerals (Development and Regulation) (MMDR) Act, 1957 through the MMDR Amendment Act, 2015 which has come into force with effect from 12th January, 2015.

The most important provision of the MMDR Amendment Act, 2015 is the grant of mineral concessions, for major minerals, through auction by competitive bidding which is a transparent and non-discriminatory method and which will also obtain for the State Government its fair share of value of the mineral resources. The other important provisions of the MMDR Amendment Act, 2015 are:

(i) Transition provisions for extension of existing leases to obviate disruptions in supply of ore and to ensure regular supply of raw material to the industry;
(ii) Establishment of District Mineral Foundation (DMF) for the interest and benefit of persons, and areas affected by mining related operations;
(iii) Assured tenure and easy transferability of mineral concessions granted through auction;
(iv) Establishment of National Mineral Exploration Trust (NMET) for regional and detailed exploration; and
(v) Stricter penalty provisions to deter illegal mining.

The rules to give effect to the amendments have been framed. Some State Governments have already conducted auctions for grant of mineral concessions and most of the mineral rich states have established DMF and have notified rules incorporating the provision of Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) in this regard. The NMET has been set up and a new National Mineral Exploration Policy (Non-fuel and Non coal Minerals), 2016 has been formulated. The implementation of reforms is an ongoing and continuous process.

(b) to (d) As per the latest information received from the state governments, out of the 12 mineral rich states, 10 states have notified the rules for DMF incorporating the provisions of PMKKKY and others states are in the process of notifying the same.

The Coordination-cum-Empowered Committee (CCEC) serves as an effective platform to review the status of implementation of PMKKKY.

The status of DMF establishment and rules made thereunder incorporating the provisions of PMKKKY in 12 minerals rich states are provided below:

S.No States Rules notified for DMF Constitution of DMF Whether provision related to PMKKKY incorporated
1 Jharkhand Yes Yes Yes
2 Chhattisgarh Yes Yes Yes
3 Rajasthan Yes Yes Yes
4 Telangana Yes Yes Yes
5 Madhya Pradesh Yes Yes Yes
6 Maharashtra No No No
7 Odisha Yes Yes Yes
8 Andhra Pradesh Yes Yes Yes
9 Goa Yes Yes Yes
10 Gujarat Yes Yes Yes
11 Karnataka Yes Yes Yes

12 Tamilnadu No No No